Govt. Securities II

1951

File No. - 51(R)

Legal Deptt.

K

B **BRANCH**

Subject: [redacted] Rules under The

Indian Securities Act, 1920

P2/E

File No. - Govt. Securities II/51(R)

Gen. 194 c.

570-B

Office of the R.L.A.

It will not be possible now to issue any statutory notification, as proposed, for the cancellation of the Bombay Government Securities Rules, 1938. Section 29 of the Public Debt (Central Government) Act, 1944, provides that the Indian Securities Act, 1920, shall cease to apply to Government Securities to which the Act applies and to all matters for which provision is made by the Act. The Public Debt (Central Government) Act, 1944, was amended in 1949 by Act No. VI of 1949, by which the Act was made applicable to Securities issued by the State Government. Immediately after Act VI of 1949 was passed the Public Debt (Central Government) Rules, 1946, were amended so as to cover Securities issued by the State Governments. Since the amended rules were to come into force with effect from 29th October 1949 the Government of India asked the State Government on 20th October 1949 to issue a notification cancelling State Government Rules, namely, the Bombay Government Securities Rules, 1938 with effect from 29th October 1949. It appears that no action as suggested by the Government of India was taken by the Government of Bombay for the cancellation of the State Rules. As soon as the Indian Securities Act, 1920, and the rules made by the Bombay Government under that Act in respect of Securities issued by them ceased to apply it was no longer possible for the State Government to issue a notification for the cancellation of the Bombay Securities Rules, 1938. However, on the coming into force of the amended Public Debt (Central Government) Rules on 29th October 1949, the Bombay Government Securities Rules, 1938, stand automatically superseded, and no notification for their specific cancellation is necessary. However, a Press Note may be

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for the information of the public stating that the Bombay Securities Rules, 1938, stand superseded with effect from 29th October 1949, and are, therefore, no longer in force.

Sd/-

Remembrancer of Legal Affairs.

U.R. to F.D., No. 8139, dated the 23rd May 1951.

EVY. 25/6.